

**Penny Trust Fund Board Meeting
Office of the State Treasurer
600 Dexter Avenue, Room S-106
February 1, 2012**

MINUTES

Board Members Present

Treasurer Young Boozer
Auditor Sam Shaw
Dr. Tommy Bice, State Superintendent of Education
Dr. Don Williamson, State Health Officer
Representative for Dr. Williamson

Others Present

Glenda Allred, Deputy State Treasurer
Kathie Lynch, Chief Clerk Auditor's Office

Pursuant to written and public notice, a regularly scheduled meeting of the Board of Directors of the Penny Trust Fund was held in the State Treasurer's Office, located in room S-106 of the State Capitol, on February 1, 2012.

The meeting was called to order by Treasurer Boozer at 10:00 a.m. Roll was taken and a quorum was present. Minutes from the June 23, 2011, meeting were distributed via e-mail prior to the meeting. State Auditor Shaw made a motion to approve the minutes as written; Treasurer Boozer seconded the motion; minutes were approved unanimously.

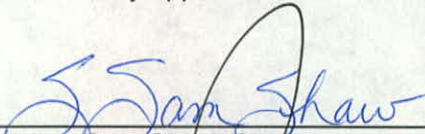
Treasurer Boozer reviewed the financial position of the fund as of FY2011 year end. The investments were changed from overnight funds to extended maturities to increase earnings and provide more income to the fund.

At the June 2011 meeting, everyone agreed the earnings should be distributed as designed. With a 90% payout of the interest earned on corpus which was \$11,000, the payout for FY2011 would be \$10,000 with \$5,000 allocated to the Department of Education and \$5,000 allocated to the Department of Public Health. Treasurer Boozer pointed out that the way the Code was written, there was no avenue set up to pay out to the Department of Education.

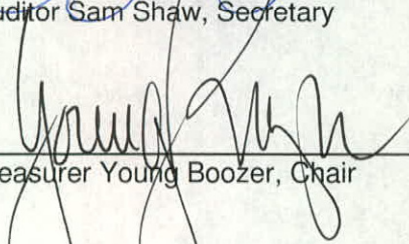
Legislation has been written to amend the Code, Section 41-15A-2 which would "authorize the Comptroller to transmit funds from the Penny Trust Fund upon application of the State Superintendent of Education; to clarify uses of the funds; to appropriate earnings from the Penny Trust Fund for the purposes authorized by Amend. No 512; and, amend Section 41-15A-6 to define earnings and to modify the duties of the Board of Control of the Penny Trust Fund."

A copy of the proposed legislation was presented to the Board. Treasurer Boozer went over the proposed changes. Dr. Williamson made a motion to approve the amendment, and Auditor Shaw seconded the motion. Treasurer Boozer will monitor movement of the bill and any additional amendments offered in committee or on the floor.

Treasurer Boozer asked if there was any other business. There being none, Dr. Bice made a motion to adjourn the meeting at approximately 10:30 a.m., which was seconded and unanimously approved.



Auditor Sam Shaw, Secretary



Treasurer Young Boozer, Chair